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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

18 April 1958

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE SUBJECT: The French Political Crisis

l. France may soon arrive at the most perilous moment
in its postwar history. By provoking the resignation of the
Gaillard government on the North African issue, the French
Assembly once again has refused to face up to the necessity for
positive decisions. It has done so despite redoubled warnings from
all sides that this negative step could have dire consequences for
the parliamentary system and the international position of France.
Popular faith in the Fourth Republic continues to diminish; France's
domestic and foreign policies are regarded by many Frenchmen with
skepticism, if not hostility; government efforts to forestall further
economic troubles are being vitiated by Algerian war costs, continuing
heavy imports, and strike threats. Above all, there is a danger
of new incidents in North Africa which might involve France in an
expanded conflict.





- 2. This situation provides considerable support for a belief that the Assembly's flight from reality and responsibility has gone so far as to place the Republic in immediate jeopardy. Militating against this view, however, are the relative absence of revolutionary fervor in the country, the lack of a consensus on almost all issues, and the continued -- if declining -- resiliency of French politicians and political institutions. Whether or not the crisis will develop to a point where the parliamentary system is threatened will largely depend upon the duration of the search for a new government and upon the chances of some drastic reverse for France which could touch off an explosion of nationalistic frustration and anger.
- 3. Efforts to reconstitute a government will probably be protracted. The two major non-Communist Assembly groups the Socialists and the Independents are moving even further away from each other in their economic and Algerian policies. Yet the support of one group and at least the benevolent abstention of the other is a prerequisite to the creation of any coalition cabinet except for one dependent on extremist votes. In any case, no really serious effort to form a government is likely to be made until the cantonal elections end on 27 April.





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- than heretofore. The Socialists appear convinced that they should avoid participation in any cabinet over at least the short term.

  They are gradually moving away from the Algerian policy of their colleague, Lacoste, toward a more conciliatory position. In addition, they would like to regain freedom of action with regard to the present French austerity program, which might soon be strongly attacked by their own labor supporters. The Independents, on the other hand, will be inclined to participate in a reconstituted coalition cabinet, but they are less able than the Socialists to attract center support. At the same time, a small number of Independents may be following Pinay toward a somewhat more tractable position on Algeria.
- 5. When the attempt to form a government begins in earnest at the end of the month, President Coty will face a formidable task in trying to get these two major parties to plaster over their differences. There will be strong pressures on him to move quickly. France may have to go to the NATO meeting in early May with even less capacity to take decisions than usual. Bourguiba is likely to be pressing his charges against France in the UN, and there will be other North African demands to be faced. On the French domestic

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scene, in view of weakened civilian control over the army and the police a caretaker government would have difficulty in coping with labor unrest and political disorders that might erupt over the coming weeks. Disgruntled army elements do not as yet pose any clearly identifiable threat in France itself; the greater danger is that they might cause another explosive incident in North Africa.

- 6. If, in these circumstances, the political crisis continues well into May, such factors will assume more dangerous proportions. The case for the return of DeGaulle will then be presented with renewed vigor. At the same time, the Communists will be urging the Socialist Party toward an informal alliance on at least economic and North African questions, and they are likely to find some receptivity among the Socialist rank and file. It is possible that the French Assembly will be unable to find any way out of the political impasse through normal parliamentary means.
- 7. In that event, the handing over of power to DeGaulle would appear to be the most likely result. We are not persuaded that this would mean the removal of France from NATO and a "reversal of alliances," although the degree of French cooperation within the

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Atlantic community would almost certainly be minimal. Indeed, prospects for a North African settlement might be improved by the general's return.

- 8. However, present party leaders are well aware of the danger DeGaulle would pose to their own political positions.

  We believe there is a better than even chance that the current political crisis will be resolved through the formation of yet another weak coalition cabinet around the nucleus of the smaller center parties. Such a government would probably be able to accept the terms with Tunisia over which Gaillard fell, but such terms may no longer be available by then. It probably would be unable to carry through any other major policy decisions and have to exploit anti-US sentiment in order to retain office.
- 9. There are indications that the Assembly is inching toward a more liberal Algerian policy, and some signs that public opinion would accept a negotiated settlement in Algeria gradually worked out by a strong coalition. However, there is little prospect of such a coalition emerging in the near future, and events in North Africa are moving at a rapid pace. French bitterness against the US has grown and is likely to persist. The next political crisis might be the last one of the present Assembly, or even of the

Fourth Republic.

FOR THE BOARD OF NATIONAL ESTIMATES:

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